

**APPROVED By U. S. Department of Labor on July 7, 2005**  
**Waiver Request 3 - Allow Youth to Use Individual Training Accounts**  
**State of Indiana**  
**Effective Program Year 2005**

**Identify the statutory or regulatory requirements that are requested to be waived and the goals that the State or local area in the State, as appropriate, intends to achieve as a result of the waiver.**

Indiana is requesting a waiver for Section 123 of the Workforce Investment Act (WIA) and 20 CFR 664.510 – the competitive selection of youth providers and to allow Individual Training Accounts (ITA) for older and out-of-school youth. This would allow the selection of training providers for youth from the eligible training provider (ETP) list.

We were granted this waiver in May 2000 and are requesting an extension. This waiver allows, but does not mandate, youth the flexibility of utilizing ITAs.

The Department of Labor (DOL) has issued a new strategic vision on the delivery of youth services under WIA. DOL emphasizes that youth services be demand-driven, and that WIA services prepare youth most at-risk and the neediest youth for real job opportunities. Approval of this waiver will assist Indiana achieve our goals and assist us in implementing DOL's new strategic vision for youth. It also allows us to reduce much of the administrative costs of procuring training providers for youth.

This waiver would allow older (aged 19-21) and out-of-school youth to select training institutions and courses through the statewide eligible training system called "Education and Training Choices." Indiana believes that older youth and out-of-school youth would benefit from the services provided by these certified training providers. Allowing youth to use ITAs streamlines services, increases customer choice, and increases local flexibility.

Indiana is committed to ensuring that the appropriate youth services are provided in the ten required program elements. To this end, local areas are monitored by the State to ensure all ten program elements have been made available. Monitoring includes compliance with federal and state policy and guidance, and local policy.

Once approval of this waiver is granted, the Department of Workforce Development will revise its current policy on ITAs to include older and out-of-school youth. The policy currently addresses the use of ITAs for WIA training funds. The policy indicates mandatory items to be included in local policy, including what the ITA covers in addition to tuition, duration, and disbursement of funds; limited exceptions to the use of ITAs; consumer choice; and coordination with other funding sources, including Pell Grants.

**Describe the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers.**

There are no State or local statutory or regulatory barriers.

**Describe the goals of the waiver and the expected programmatic outcomes if the request is granted.**

- To improve youth services through increased customer choice in accessing training opportunities in demand occupations.
- To increase the number of training providers for older and out-of-school youth.
- To provide local boards more flexibility in securing training service providers.
- To promote better utilization of training service providers in rural areas.
- To eliminate duplicate processes for securing training service providers.

#### Programmatic Outcomes

The numbers of training providers in local areas will increase. Training services for youth will be available in a faster and more efficient manner. Many local areas find it difficult to secure training providers willing to competitively bid to provide training to older and out-of-school youth. When local areas are required to competitively procure training services, the time period for matching training providers to youth who are in need is lengthened considerably. By allowing local boards to purchase training services to older and out-of-school youth from the Eligible Training Provider system, youth will be able to access training services more quickly. Additionally, youth will be able to choose the training provider they prefer.

#### **Describe the individuals impacted by the waiver.**

- Older and out-of-school youth will benefit because they will be able to select from a list of certified training providers and will receive services more quickly.
- Local areas will benefit because they will not have to direct their resources to costly and time consuming competitive procurements.
- Training providers will benefit because they will not have to follow two separate procedures to provide training for adults and dislocated workers, which require certification, and for older and out-of-school youth, which required competitive bidding.

#### **Describe the process used to monitor the progress in implementing such a waiver, and the process by which notice and an opportunity to comment on such request has been provided to the local board.**

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Local boards will issue policy on the use of ITAs. DWD will monitor the local boards on the use of ITAs based on federal legislation and regulation, and state and local policy. Progress on the implementation of this waiver will be monitored through reports issued by DWD's monitoring unit, fiscal and programmatic reports, and dialogues with local administrators. Local boards will be afforded an opportunity to commit on the State Plan and waivers through the public review and comment period.